



NEWS RELEASE



For Release: Thursday, November 20, 2014

14-2144-CHI

MIDWEST INFORMATION OFFICE: Chicago, Ill.

Technical information: (312) 353-1880 • BLSInfoChicago@bls.gov • www.bls.gov/regions/midwest/

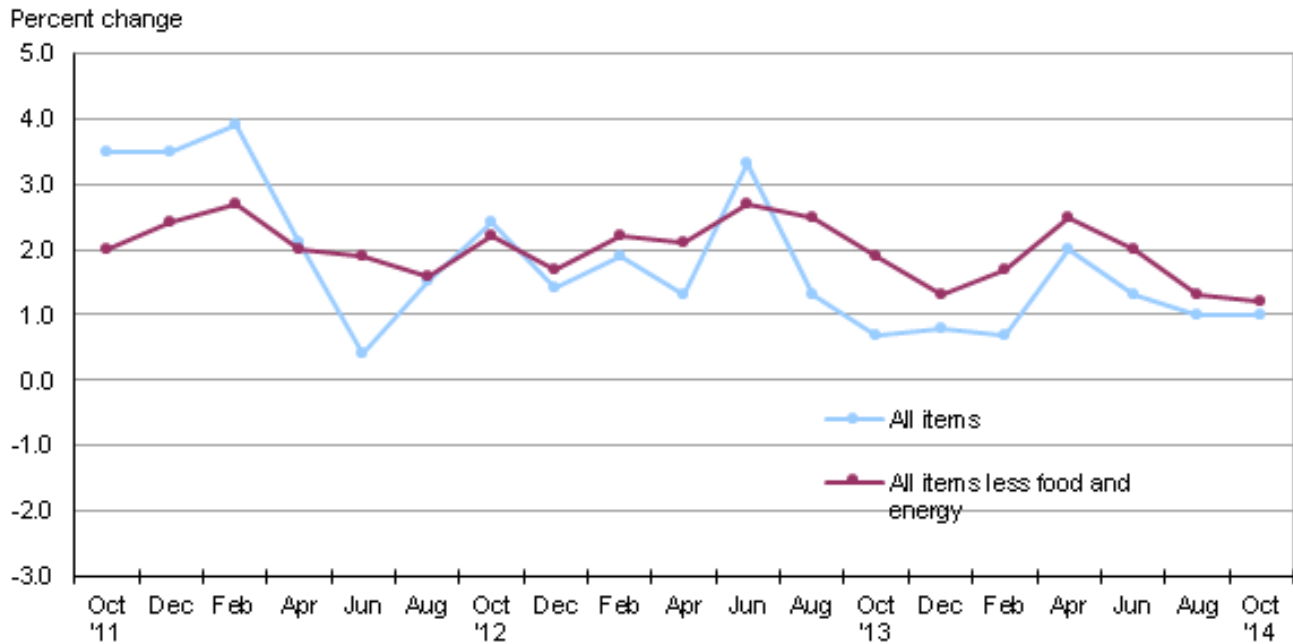
Media contact: (312) 353-1138

Consumer Price Index, Detroit-Ann Arbor-Flint – October 2014

The Consumer Price Index for All Urban Consumers (CPI-U) in the Detroit-Ann Arbor-Flint area edged down 0.1 percent from August to October, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Charlene Peiffer noted that the energy index decreased 3.9 percent while the food index rose 1.1 percent over the bi-monthly period. The index for all items less food and energy rose 0.2 percent from August to October. Among the indexes within the all items less food and energy category, prices were higher for shelter; household furnishings and operations; and alcoholic beverages. The indexes for education and communication, and medical care were lower. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the past 12 months the Detroit all items CPI-U rose 1.0 percent. (See [chart 1](#) and [table A](#).) The energy index fell 2.6 percent over the year due to annual declines in prices for gasoline electricity. The index for all items less food and energy rose 1.2 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Detroit-Ann Arbor-Flint, October 2011–October 2014



Source: U.S. Bureau of Labor Statistics.

Food

Food prices rose 1.1 percent from August to October following a 0.1 percent increase over the previous bi-monthly period. Between the two components of the food index, prices for food at home (groceries) and prices for food away from home (restaurant, cafeteria, and vending purchases) rose 1.7 percent and 0.4 percent, respectively. Grocery prices were up 4.1 percent from October a year ago, while prices for food away from home were 2.3 percent higher. From October 2013 to October 2014, overall food prices rose 3.4 percent in the Detroit area.

Energy

The energy index for Detroit fell 3.9 percent from August to October. Declines in the indexes for gasoline (-7.9 percent) and electricity (-0.9 percent) were contributing factors, while utility (piped) gas service rose by 3.7 percent from August to October.

From October 2013 to October 2014, overall energy prices decreased 2.6 percent. Prices for gasoline and electricity fell 5.0 percent and 6.0 percent, respectively, over the year. In contrast, costs for utility (piped) gas service were up 9.3 percent compared to last October.

All items less food and energy

The index for all items less food and energy rose 0.2 percent from August to October. Among the index's components, prices were higher shelter (0.3 percent), household furnishings and operations (0.9 percent), and alcoholic beverages (3.1 percent). The indexes for education and communication (-2.0 percent), and medical care (-0.4 percent) were lower.

Over the year, the index for all items less food and energy rose 1.2 percent. An annual increase in shelter

costs (3.5 percent) was the major contributing factor.

Table A. Percent Changes in the CPI-U, Detroit-Ann Arbor-Flint, Mich. (not seasonally adjusted)

Expenditure Category	Percent changes from preceding 2 months							12 mo. ended Oct. '14
	2013		2014					
	Oct.	Dec.	Feb.	Apr.	Jun.	Aug.	Oct.	
All items	-0.1	-0.7	1.1	1.3	0.5	-1.0	-0.1	1.0
Food & beverages.....	-0.2	1.1	0.3	1.1	-0.2	0.0	1.3	3.5
Food	-0.2	1.1	0.4	1.2	-0.5	0.1	1.1	3.4
Housing.....	0.3	0.6	0.8	0.2	0.8	0.1	0.4	2.9
Apparel.....	0.1	-6.9	7.2	6.0	-3.0	-2.0	-0.3	0.4
Transportation	-1.6	-3.2	2.4	3.6	2.1	-4.2	-1.7	-1.3
Medical care.....	0.3	0.5	0.8	0.3	0.2	-1.1	-0.4	0.2
Recreation.....	-0.9	-2.9	-0.1	1.6	-1.0	-1.6	-0.2	-4.3
Education & communication	2.0	-0.4	-0.2	0.9	0.2	1.8	-2.0	0.2
Other goods & services.....	-0.1	0.8	0.4	0.4	-0.3	-3.0	-0.2	-1.9
Special Indexes								
Energy	-2.8	-3.0	1.4	4.8	4.7	-6.1	-3.9	-2.6
All items less food & energy.....	0.3	-0.6	1.1	0.8	0.1	-0.4	0.2	1.2

The December 2014 Consumer Price Index for Detroit is scheduled to be released on Friday, January 16, 2015, at 8:30 a.m. (ET).

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 88 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 29 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar.

Note:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The **Detroit-Ann Arbor-Flint, Mich.** consolidated area covered in this release is comprised of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsDetroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Aug. 2014	Sep. 2014	Oct. 2014	Oct. 2013	Aug. 2014	Sep. 2014
Expenditure category						
All items	222.284	-	221.988	1.0	-0.1	-
All items (1967=100).....	660.720	-	659.841	-	-	-
Food and beverages	217.464	-	220.250	3.5	1.3	-
Food	217.647	-	220.141	3.4	1.1	-
Food at home.....	210.719	213.470	214.200	4.1	1.7	0.3
Food away from home	228.343	-	229.198	2.3	0.4	-
Alcoholic beverages	209.079	-	215.628	5.3	3.1	-
Housing	200.984	-	201.809	2.9	0.4	-
Shelter	224.946	224.244	225.701	3.5	0.3	0.6
Rent of primary residence ⁽¹⁾	226.751	227.029	227.636	2.2	0.4	0.3
Owners' equiv. rent of residences ^{(1) (2)}	223.732	222.845	223.440	2.0	-0.1	0.3
Owners' equiv. rent of primary residence ^{(1) (2)}	223.732	222.845	223.440	2.0	-0.1	0.3
Fuels and utilities.....	246.458	-	247.570	1.8	0.5	-
Household energy.....	195.328	198.728	197.247	0.0	1.0	-0.7
Energy services ⁽¹⁾	197.257	200.834	199.317	0.0	1.0	-0.8
Electricity ⁽¹⁾	214.552	214.512	212.592	-6.0	-0.9	-0.9
Utility (piped) gas service ⁽¹⁾	166.567	173.781	172.790	9.3	3.7	-0.6
Household furnishings and operations	118.746	-	119.836	0.2	0.9	-
Apparel.....	123.888	-	123.554	0.4	-0.3	-
Transportation	249.119	-	245.007	-1.3	-1.7	-
Private transportation	249.291	-	243.866	-1.1	-2.2	-
Motor fuel.....	306.186	307.892	281.922	-4.8	-7.9	-8.4
Gasoline (all types)	304.199	305.937	280.027	-5.0	-7.9	-8.5
Gasoline, unleaded regular ⁽³⁾	311.983	313.931	286.734	-5.3	-8.1	-8.7
Gasoline, unleaded midgrade ^{(3) (4)}	341.983	343.468	316.553	-3.9	-7.4	-7.8
Gasoline, unleaded premium ⁽³⁾	288.071	288.838	266.996	-3.2	-7.3	-7.6
Medical care.....	398.474	-	396.736	0.2	-0.4	-
Recreation ⁽⁵⁾	112.637	-	112.430	-4.3	-0.2	-
Education and communication ⁽⁵⁾	147.496	-	144.523	0.2	-2.0	-
Other goods and services	393.085	-	392.123	-1.9	-0.2	-
Commodity and service group						
All items	222.284	-	221.988	1.0	-0.1	-
Commodities	181.811	-	180.637	0.7	-0.6	-
Commodities less food & beverages.....	162.931	-	159.885	-1.0	-1.9	-
Nondurables less food & beverages.....	202.492	-	196.474	-2.0	-3.0	-

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Aug. 2014	Sep. 2014	Oct. 2014	Oct. 2013	Aug. 2014	Sep. 2014
Durables	117.243	-	117.206	0.7	0.0	-
Services	264.411	-	264.959	1.3	0.2	-
Special aggregate indexes						
All items less medical care	215.297	-	215.066	1.1	-0.1	-
All items less shelter	224.483	-	223.735	0.1	-0.3	-
Commodities less food	164.729	-	161.991	-0.8	-1.7	-
Nondurables	210.137	-	208.394	0.6	-0.8	-
Nondurables less food	202.882	-	197.654	-1.6	-2.6	-
Services less rent of shelter ⁽²⁾	320.209	-	320.461	-0.7	0.1	-
Services less medical care services	255.191	-	255.821	1.5	0.2	-
Energy	249.058	251.780	239.366	-2.6	-3.9	-4.9
All items less energy	221.999	-	222.700	1.5	0.3	-
All items less food and energy	223.361	-	223.709	1.2	0.2	-

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

⁽²⁾ Index is on a December 1982=100 base.

⁽³⁾ Special index based on a substantially smaller sample.

⁽⁴⁾ Indexes on a December 1993=100 base.

⁽⁵⁾ Indexes on a December 1997=100 base.